

February 2, 2005

To: Chairman Michael Powell  
Commissioner Kathleen Abernathy  
Commissioner Michael Copps  
Commissioner Kevin Martin  
Commissioner Jonathan Adelstein

Re: EX PARTE; Docket No. CS 98-120; Digital Television Transition

Dear Chairman and Commissioners:

The National Consumers League understands that at the upcoming February 10 meeting of the FCC, the Commission is expected to vote to deny cable must-carry status for multicast digital broadcast signals. We do not believe that such a decision is in the best interests of American consumers, particularly those living in rural areas who depend on free, over-the-air television service. We respectfully ask the FCC to defer this vote until a more thoughtful and thorough discussion can be had on this topic. The goal of such a deferral would be to ensure that the rights and interests of all affected parties, particularly those of American consumers, have been adequately taken into account by the FCC in its decision-making process.

Broadcasters in a number of markets have begun to offer digital multicast programming services. Many of these new services focus on matters of local concern, such as weather, school sports, politics and government, and other areas of local interest. We are concerned that denying cable must-carry status at this juncture will effectively kill these new services before they have a chance to take root and flourish, and will effectively let cable operators (rather than consumers) choose what local programming their subscribers may see. Under such a scenario, cable subscribers across the US -- despite having paid hundreds, or even thousands, of dollars to upgrade to digital television and increased monthly fees for digital cable service -- will be deprived of much of the new, innovative, and locally-oriented programming that will be offered on the new digital multicast channels by broadcasters. Further, without the additional advertising revenues to be derived from multicast channels carried on cable systems, broadcasters will find it even more difficult to compete with a single channel in a multichannel world, and viewers will begin to lose existing news and other valuable local programming. Moreover, a decision made now by the FCC to deny multicast must-carry could hamper Congress' ability to consider, in a thoughtful fashion, all the important issues surrounding the transition in the coming weeks and months; could deny consumers some of the most exciting benefits of the digital transition; and could ultimately delay the transition itself by removing a strong incentive for consumers to invest in the digital future.

Again, we urge the FCC to postpone upcoming action on this item and allow Congress and the new FCC Chair the opportunity to work together to consider all of the issues surrounding the digital television process in a comprehensive fashion.

Sincerely,



LINDA F. GOLODNER  
President, National Consumers League